

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

SOUTH CENTRAL BELL TELEPHONE COMPANY'S)	
SPECIAL SERVICE CONTRACT ARRANGEMENT FOR)	CASE NO.
DIGITAL ESSX SERVICE WITH ALLIANT HEALTH)	90-140
SYSTEM)	

O R D E R

On May 7, 1990, South Central Bell Telephone Company ("South Central Bell") filed a proposed special contract for Commission review. The contract was entered on April 19, 1990 between Alliant Health System of Louisville ("Alliant") and South Central Bell for the provision of Digital ESSX Service.

By Order dated June 4, 1990, the Commission suspended the proposed special contract to conduct further investigation of its reasonableness pursuant to KRS 278.190.

On May 22, 1990, AT&T Communications of the South Central States, Inc. ("AT&T") filed a motion for full intervention. South Central Bell responded in opposition to AT&T's motion on June 7, 1990, contending that AT&T's intervention should be denied. It asked, in the alternative, that the Commission grant conditional approval of the contract with Alliant subject to South Central Bell's willingness to absorb unrecovered costs below the line. On June 27, 1990, the Commission granted AT&T's motion for intervention.

The Commission, having reviewed the record to date and having been otherwise sufficiently advised, finds that South Central Bell's request for conditional approval be granted subject to the conditions contained herein.

IT IS THEREFORE ORDERED that:

1. South Central Bell's contract with Alliant be granted conditional approval subject to South Central Bell's willingness to absorb any unrecovered costs and any intrastate revenue deficiency, defined as the difference between existing tariffed rates and the proposed special contract rates, should the Commission find the contract to be unreasonable and deny approval.

2. South Central Bell shall maintain separate accounts for all revenues, costs, and investments associated with the provision of Digital ESSX Service for Alliant.

3. Within 10 days from the date of this Order, South Central Bell shall notify the Commission concerning whether this conditional approval will be accepted or rejected by the contracting parties.

Done at Frankfort, Kentucky, this 10th day of July, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director